

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

In re: Domestic Section 214 Application Filed For :
Assignment of Assets of IDS Telecom, LLC to IDS :
Telecom Corp. :

WC Docket No. 05-70
Date: March 24, 2005

**RESPONSE TO MCG CAPITAL CORP., IDS TELCOM CORP., AND
IDS TELCOM LLC'S MARCH 22, 2005 MEMORANDUM CHALLENGING STANDING**

PHYLLIS HEIFFER ("Heiffer"), by and through her undersigned counsel, hereby files this response in opposition to MCG Capital Corporation ("MCG"), IDS Telecom Corp. ("New IDS"), and IDS Telecom LLC's ("Old IDS") "Reply Comments of Applicants" filed on March 22, 2005, challenging Heiffer's standing to oppose the Application to assign the assets, including domestic section 214 authorizations, from old IDS to New IDS.

Response

- I. Heiffer Has Standing Because The Injury Heiffer Complains Of Based On Transferor's Past Conduct Raises A Public Interest Concern.

Heiffer opposes the Application by MCG, New IDS and Old IDS (collectively referred to as "the Applicants") for a transfer of domestic section 214 authorizations. Despite the fact that the FCC's Order is, at this time, provisional only, and that the proposed transfer is "preliminary in nature" and will not become final before March 31, 2005, at the earliest, the Applicants continue to act as though their request for transfer has already been granted, and Old IDS has already notified its customers, via an inserted letter in their invoices sent out in early March, that effective March 31, 2005, New IDS will become their service provider. The Applicants obviously view the protest period with contempt and treat the protest process itself as nothing

more than a mere inconvenience that is holding up the transfer application they see as already granted.

The Applicants claim, in their Reply Comments, that Heiffer has made no allegations whatsoever that involve the public interest. Heiffer's Comment, however, raises serious public interest concerns as to whether or not the application for transfer will hinder, not promote, competition, and whether it will harm, not enhance, a segment of the telecommunications workforce. The allegations set forth in the Comment reveal that the management of Old IDS has been permanently enjoined by a Florida court from continuing conduct designed at interfering with (not enhancing) competition in the telecommunications industry. The allegations also reveal that, rather than enhance the economic status of the telecommunications workforce, Old IDS is planning to avoid its financial obligations to former and current employees of its own workforce by transferring away all of its assets to a new entity, New IDS, without making any provision to, or even acknowledging or disclosing to this Commission, these obligations.

The Federal Communications Commission (the "Commission") has authority to deny an application for transfer of domestic section 214 authorizations where it is not in the public interest. A transferor's past behavior which is injurious to promoting competition, and/or harmful to the telecommunications workforce, are public interest concerns of the FCC. These are the same public interest concerns that are raised by the allegations set forth in Heiffer's Comment. Rather than address these concerns, the Applicants instead seek to marginalize Heiffer as "a disgruntled ex-employee" of Old IDS. [See, Reply Comments of Applicants, at p.3.]. The fact remains that Old IDS, not Heiffer, was permanently enjoined from engaging in anticompetitive behavior, and Old IDS, not Heiffer, is the one transferring its assets to a "New"

IDS in avoidance of pending “claims,” as that term is defined in the Florida Uniform Fraudulent Transfer Act.

In their Reply Comments, the Applicants challenge Heiffer’s standing to protest their application by casting Heiffer’s protest as one which raises purely private interests. In their attempt to do so, the Applicants twist the underlying facts. For example, the Applicants state that Heiffer was “terminated for cause in 2001.” [Reply Comments of Applicants, p.3]. Old IDS’s termination notice dated January 2, 2002, tells another story, and states that “IDS understands you have *resigned* your employment on Friday, December 28, 2001.” [See, Letter of Termination Notice from R. Hacker, CFO, to Phyllis Heiffer, dated January 2, 2002, attached hereto as Exhibit 1]. Old IDS never could articulate the reason why its top selling agent, Phyllis Heiffer, would have been terminated “for cause” in late 2001, and Heiffer, too, was at a loss to explain the horrendous treatment she began to receive from Old IDS’s management in 2001. However, Old IDS’s Senior Vice President, Keith Kramer, provided the explanation in testimony during the litigation that ensued between Old IDS and Heiffer: the CEO of Old IDS, Joseph Millstone, was preparing in the summer of 2001 to sell Old IDS to a company called “Access One” owned by Ken Baritz. Joseph Millstone directed Keith Kramer to get rid of all of Old IDS’s sales agents and other personnel who had a “back-end deal,” otherwise referred to as a deferred compensation, that would have become payable upon the sale of Old IDS’s assets to Access One. This was the reason for Heiffer’s sudden departure from Old IDS. [See, Deposition of Keith Kramer, at pages 21-24, attached as Exhibit 2].

It is no coincidence that the CEO of New IDS in the proposed purchase of assets of Old IDS is, again, Ken Baritz. [See, New IDS Management Information, attached hereto as Exhibit 3] Mr. Baritz served as the Chairman and Chief Executive Officer of Access One back when

Access One was contemplating a purchase of Old IDS – the same transaction that caused Joseph Millstone to terminate Old IDS’s top sales and marketing personnel and others in management who had “deferred compensation” provisions in their employment agreements. New IDS, under the direction of Ken Baritz, will have access to the “managerial expertise” of Joseph Millstone, CEO of Old IDS. This was one of the reasons for Petitioner’s statement that “[t]he managerial capacity and quality of New IDS is suspect due to the integration of the management team of Old IDS who have demonstrated a disregard of their financial and contractual obligations to former employees and creditors and whose past conduct has resulted in a permanent injunction against Old IDS.” [See, Heiffer’s Comment, at p.4].

Old IDS’s obligation to make good on the deferred compensation bonuses of its former and current employees is also binding upon the “successors and assigns” of Old IDS, as set forth in the employment agreements. Heiffer’s employment agreement compels payment within fifteen (15) days of any transfer of control from Old IDS to a new entity. Heiffer’s right to deferred compensation survives death, termination for cause, voluntary termination, and resignation. Due to the fact that the Applicants’ request for transfer of control from Old IDS to New IDS triggers the liability of deferred compensation is binding on the successor entity, and given the past efforts of the CEO of Old IDS to avoid the obligation of paying deferred compensation by firing certain of its workforce in 2001, it is proper for this Commission to make inquiry and ensure that the granting of the Application for Transfer will not enable Old IDS to divest itself of those assets that should be set aside to “enhance the economic status of the telecommunications workforce” of Old IDS.

II. Fraudulent Transfers Do Not Promote Public Interest.

Nowhere in their Reply Comments do the Applicants state facts demonstrating that the granting of an application for transfer of assets, including domestic section 214 authorizations, from Old IDS to New IDS will not be in violation of Florida's Uniform Fraudulent Transfer Act, § 726.104, et. seq. A "claim" under the Uniform Fraudulent Transfer Act may be maintained even though contingent and not yet reduced to judgment. Friedman v. Heart Institute of Port St. Lucie, Inc., 863 So.2d 189 (Fla. 2003). It is unnecessary for Heiffer to have a judgment in order to be a "creditor" under the Act. A "creditor" under the Act is any person who has a "claim," and a "claim" on which a creditor can proceed can be unliquidated, contingent, or unmatured. Heiffer is protesting that there have been no provisions, or even an acknowledgement on the part of the Applicants, that the transfer of assets and customers from Old IDS to New IDS will not leave creditors, like Heiffer, left without sufficient funds to satisfy their claims. A quick review of the Florida Secured Transaction Registry reveals that there are "other creditors" of Old IDS. [See, UCC Financing Statements, attached hereto as Exhibit 4].

Heiffer's objection to the transfer is also being filed before the Florida Public Service Commission ("FPSC"). Heiffer is not the first to complain to the FPSC that the principals of Old IDS were improperly diverting assets, resources and business opportunities away from Old IDS. A shareholder and former Senior Vice President of Old IDS, Keith Kramer, filed a protest in 2003 to the application by Home Town Telephone, LLC, for certification to provide CLEC service. [See In re: Application for Certificate to Provide Competitive Local Exchange Telecommunications Service By Home Town Telephone, LLC, Docket No. 030765, and Petition for Formal Proceeding/Objection to Application, filed October 3, 2003, attached hereto as Exhibit 4]. In the Keith Kramer protest, it was alleged that the members/principals of Old IDS

were also the managers and members/principals of Home Town Telephone, LLC, who were “seeking the certificate in order to become a competitor of IDS and to improperly divert assets, resources and business opportunities away from IDS into Home Town.” in violation of IDS’s Operating Agreement and Florida Statutes §608.4225(1)(a)(3), which prohibits the Managers [of Old IDS] “from competing with the limited liability company in the conduct of the limited liability company business before the dissolution of the limited liability company.” [See, Exhibit 4.] This Commission should be aware that Heiffer is not the first, or only, person to protest based on allegations of an improper transfer of assets away from Old IDS.

III. The Applicants’ Integration of Management Whose Past Conduct Was Designed To Choke Competition, Not Enhance It, And Which Resulted In A Permanent Injunction, Does Not Promote Public Interest.

The Applicants, in their Reply Comments, do not address, or cite to, the permanent injunction identified in Heiffer’s Petition. Old IDS is permanently enjoined from disconnecting the local and long distance service of certain customers who elect to leave Old IDS, from changing the long distance carrier codes and freezing accounts of certain customers who elect to leave Olds IDS, and from “otherwise interfering in any way with Phyllis Heiffer’s business relationships, her ability to solicit any customers for telecommunications services, and her future employment opportunities.” [See, Exhibit 2 of Heiffer’s Comment, at par. 3.]. The permanent injunction affects certain of the customers who elect to leave Old IDS now, and into the future. There have been no assurances, or even an acknowledgement, that New IDS, or MCG, are aware of the injunction, will honor the injunction, or ignore the injunction. Heiffer is justified in demanding a formal hearing to present these issues of public importance more fully.

Conclusion

The “substantial interests” claimed by Heiffer in her Comments are not merely private contractual concerns, but are public in nature. The Applicants’ request to transfer domestic section 214 authorizations from Old IDS to New IDS should only be granted if it serves the public interest. Promoting competition, preventing anticompetitive behavior, and enhancing the economic status of the telecommunications workforce are public interest concerns. Where the applicant, Old IDS, has a demonstrated history of anticompetitive behavior warranting a permanent injunction, and a management team that would sooner fire its workforce than to pay them an earned compensation benefit promised to them should the company ever be sold, these public interest concerns are worthy of a formal hearing. Where the other applicant, New IDS, states an interest to draw upon the managerial expertise of these same principals whose past bad conduct has caused a permanent injunction, the Commission should proceed with a formal hearing. The Commission should deny the Applicants’ request for transfer and allow a formal proceeding to occur.

Respectfully submitted,

BROAD AND CASSEL
Counsel for Phyllis Heiffer
Post Office Box 14010
Fort Lauderdale, FL 33302
Telephone: (954) 764-7060
Facsimile: (954) 713-8135
jcooney@broadandcassel.com

By: /S/John Cooney
John Cooney, Esq.
Florida Bar No.: 854451

DS

Certified Mail Return Receipt

January 2, 2002

Ms. Phyllis Heiffer
3301 NE 5th Avenue
Apt. #1117
Miami, FL. 33137

Dear Ms. Heiffer:

Re: TERMINATION NOTICE

This is to provide you with Termination Notice pursuant to Section 6 of the Employment Agreement entered into by you and effective March 26, 1999.

IDS understands you to have resigned your employment on Friday, December 28, 2001. However, in the absence of notice from you of your resignation pursuant to Section 6 of the Employment Agreement, in an abundance of caution the Employer hereby provides you with Termination Notice, terminating your employment effective as of the date of this Termination Notice.

You are instructed to immediately return to the Employer any and all Employer property, including, but not limited to, records, files, books, current and potential customer and client lists, account information, financial materials, computer hardware and software, corporate credit cards, cellular telephones, and manufacturing and marketing materials.

Sincerely,


Robert A. Hacker
Chief Financial Officer

Cc: Ms. Joan Canny, Esq.

1525 N.W. 167th St, 2nd Floor, Miami, Florida 33169
Tel: (305) 913-4000 Fax: (305) 913-4011 Toll Free: 1-800-335-4437
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EXHIBIT "1"

IN THE CIRCUIT COURT OF THE
SEVENTEENTH JUDICIAL CIRCUIT, IN
AND FOR BROWARD COUNTY, FLORIDA

CASE NO.: 02-00749 CACE-07

PHYLLIS HEIFFER,

Plaintiff,

vs.

IDS LONG DISTANCE, INC., a Florida
corporation, IDS TELECOM, a Florida
General Partnership, IDS TELECOM
LLC, a Florida limited liability
company, and JOHN DOE, individually,
Defendants.

X

IDS LONG DISTANCE, INC., a Florida
corporation, IDS TELECOM
LLC, a Florida limited liability
company,

Plaintiffs,

vs.

PHYLLIS HEIFFER, TELECOMSMART.COM.,
INC., a Florida corporation, and
THERESA GROSSO, an individual,
Defendants.

X

1320 South Dixie Highway
Coral Gables, Florida

Wednesday, April 21, 2004
3:15 p.m. - 7:00 p.m.

TELEPHONE DEPOSITION OF
KEITH KRAMER

Taken on behalf of Defendants,

before Jerome E. Harris, Notary Public in and for
the State of Florida at Large, and of Esquire
Deposition Services, Miami, 305 371-2713, job
number 628609, pursuant to Notice of Taking
Deposition filed in the above cause.

EXHIBIT "2"

1 anybody doing anything intentionally to cause
2 Phyllis Heiffer harm?

3 A. There was that possibility.

4 Q. When you say there was a possibility,
5 what do you mean?

6 A. Okay. In the summer of 2001, maybe in
7 -- maybe not 2001. Yeah, I think 2001. I want to
8 have to say maybe 2001 or 2000. I can't remember.
9 Could be 2000.

10 We had, or I had recruited a company
11 called Brown Brothers Harriman. Brown Brothers
12 Harriman was supposed to give us evaluation on a
13 book. This book was supposed to describe and tell
14 other prospective buyers and investors what was
15 the company's worth.

16 Sometime in that summer, Joe and I had
17 several meetings specifically about what the value
18 of the company was. We did have an offer, and we
19 did entertain an offer from a gentleman named Ken
20 Barretts. Ken Barretts at one time owned a
21 company called Access One. Ken Barretts made an
22 offer to IDS which was essentially less than what
23 we thought the company was worth, but we didn't
24 think there was going to be other offers out
25 there.

1 Joe had a major concern, because for a
2 long period of time, maybe six years, maybe a
3 little bit more, we had used the concept of
4 recruiting both outside independent contractors
5 and what we call very valuable employees. And we
6 recruited them by telling them we were -- our main
7 exit philosophy was to build the company, sell the
8 company, and then we get a slice of the pie. When
9 we realized the value of the company was not going
10 to be what we thought, Joe was extremely
11 concerned. His concern is, and it could still be,
12 that there is not enough of the pie left to give
13 to the people we made these promises to or
14 agreements to.

15 He directed me specifically that we
16 needed to terminate all employees with back-ends.
17 The top of the list was Phyllis, second to the top
18 of the list was Bill Goulis and then everyone
19 under that. The next one, the next group of
20 individuals that were at the top of the list were
21 the independent agents. The number one problem
22 agent that he wanted to have a renegotiated
23 agreement with was a company called Global
24 Systems. That was owned by Mark Solomon and Paul
25 Sillcotta. Then, he wanted to redo the back-end

1 agreements for three other independent
2 contractors, Fern Miller, Alan Stalman, Michael
3 Gauncher. There may have been others, but that's
4 the best I can remember at this time.

5 (Phonetic.)

6 Q. Let's go back then. What was the time
7 frame that you were having these discussion with
8 Joe Millstone?

9 A. We were having these discussions right
10 after I believe Joe started negotiations with Ken
11 Barretts.

12 Q. Okay. I believe I need the time frame
13 for that?

14 A. Okay. That would be sometime in the
15 summer. Let's see. If I was terminated in 2001,
16 probably the summer of 2000.

17 MR. GOLD: I can't help you.

18 THE WITNESS: I know. You don't mind if
19 I look that way to think?

20 MR. GOLD: No, that's fine.

21 A. It was the summer prior to my
22 termination.

23 BY MR. FELDMAN:

24 Q. Okay. So I'm not sure if I'm clear.
25 We are talking about 2000 or 2001?

1 A. If I was terminated in 2001, it would
2 have been that summer.

3 Q. Okay. Why would you have been involved
4 in any discussion or decisions about termination
5 of employees?

6 A. I negotiated all these agreements.

7 Q. You negotiated all these agreements.
8 Let's talk about Phyllis Heiffer. You
9 negotiated her agreement?

10 A. Yes, I did.

11 Q. What were the terms of her agreement?

12 A. Okay. If I had the agreement here, I
13 would be able to help a lot better. I'm going
14 from memory.

15 What terms? Okay. I'll see.

16 We negotiated the term. I believe the
17 extent of the term was three years guaranteed
18 renewable. We were fixing her with a per annum
19 salary. I can't remember what that salary was.
20 We gave her a back-end deal. The back-end deal
21 was based on a monthly volume that she developed.
22 In the event the company sold, depending or not if
23 she was retained by the company that bought IDS or
24 was terminated would determine when she would be
25 paid out, and over what period of time. This was

EXHIBIT C

New IDS Management Information

Ken Baritz, CEO/President

Mr. Baritz has served as the CEO/President of IDS Telcom Corp.'s parent, Cleartel Communications, Inc., and its subsidiaries since August 2002. He served as President and Director of Talk America, Inc. from March 2000 to June 2001. Prior to joining Talk, Mr. Baritz served as Chairman and Chief Executive Officer of Access One from 1997 to 2000. Previous to Access One, he served as Chairman and Chief Executive Officer of AMNEX, Inc., a telecommunications company, and also was a Director of AMNEX from October 1992 through March 1997. Prior to his tenure at AMNEX, he served as a Vice President of Bear Stearns & Co., Inc., an investment-banking firm.

Jim Doherty, COO

Mr. Doherty has served as the COO of IDS Telcom Corp.'s parent, Cleartel Communications, Inc., and its subsidiaries since August 2002. He previously served as Operations Manager for Talk America since 1999, where he was responsible for the day-to-day management of a 300 person customer care and provision facility. Prior to Talk/Access One, Mr. Doherty held the position of Director of Technical Operations with AMNEX from 1995 to 1999. Prior to that role, he served as Branch Operations Manager for National Telephone from 1986 to 1994. Mr. Doherty holds a degree in management.

Terie Hannay, Sr. VP – Fiscal Operations

Ms. Hannay joined IDS Telecom Corp.'s parent, Cleartel Communications, Inc. in October 2003. Her background includes serving as Michigan Regional Vice President, Customer Care for Charter Communications responsible for sales and customer support for 600,000-customer base. While at Charter Communications, she consolidated 40 customer service sites into two sites running in a virtual environment as well as built a state of the art virtual call centers with over 400 employees. Prior to Charter Communications, Ms. Hannay served as Divisional Vice President Telecom Services at American Network Exchange (AMNEX) with responsibility for financial operations, call center operations, provisioning, customer care, MIS and Human Resources.

Don Zyck, CFO/VP-Finance

Mr. Zyck has served as the CFO/VP-Finance of IDS Telecom Corp.'s parent, Cleartel Communications, Inc., and its subsidiaries since October 2002. Since 1985, he has been involved in the financial operations of public and private companies across numerous industries, including telecommunications, with responsibility for leading the functions of Accounting, Risk Management, Cash Management, Financial Planning and Analysis, Treasury, Bank Relations, Internal Audit and M&A. Most recently, Mr. Zyck served as the Senior Vice President and Acting CFO for Universal Access, Inc., a \$120 million publicly traded telecommunications carrier. Previously, he served as Senior Vice President of Finance with Mesirow Financial and Treasurer and Controller with Cargill Investor Services, Inc. Mr. Zyck holds a BS in Finance.

Scott Kellogg, Associate General Counsel & Asst. Sec.

Mr. Kellogg has ten years of experience in legal and governmental affairs. He joined IDS Telcom Corp.'s parent, Cleartel Communications, Inc., in December 2002 and has responsibility for regulatory affairs and corporate legal matters. He has served as counsel to

competitive telecommunications carriers on a national basis since 1998. Outside of practicing law, Mr. Kellogg worked for three years in the Michigan House of Representatives and Senate.

FLORIDA SECURED TRANSACTION REGISTRY

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2002 May 21 AM 12:00

***** 200201198566 *****

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional) Phone: (800) 331-3262 Fax: (818) 662-4141	
B. SEND ACKNOWLEDGEMENT TO: (Name and Address) UCC Direct Services 510968 IMARLIN P.O. Box 29071 5366170-40-1 Glendale, CA 91209-9071 File with: Florida	

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME IDS TELCOM LLC				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 1525 NW 167TH STREET STE 200				
CITY MIAMI		STATE FL	POSTAL CODE 33169	COUNTRY
1d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION Limited Liability Corporation	1f. JURISDICTION OF ORGANIZATION FL	1g. ORGANIZATIONAL ID #, if any <input checked="" type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS				
CITY		STATE	POSTAL CODE	COUNTRY
2d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME Marlin Leasing Corp.				
OR				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 124 Gaither Drive Suite 170				
CITY Mount Laurel		STATE NJ	POSTAL CODE 08054	COUNTRY

4. This FINANCING STATEMENT covers the following collateral:

1 SAVIN SLP45 SLAVE PRINTER, SERIAL #1890800043 1 SAVIN MLP45 SLAVE PRINTER, SERIAL #P7226200097, "and all replacements, substitutions, accessions, add-ons, and all proceeds and accounts of the Debtor arising out of or related to the foregoing. This financing statement relates to an equipment lease between the Debtor (as lessee) and the Secured Party (as lessor). The lease is a "true lease", and this financing statement is filed to give notice of Secured Party's ownership interest in the collateral and also as a precautionary measure in the event the lease is determined to be other than a true lease."

☐ Documentary stamp tax paid ☒ Documentary stamp tax not applicable5. ALTERNATIVE DESIGNATION (if applicable) ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING6. ☐ This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable). 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2 (optional) (ADDITIONAL FEE)

8. OPTIONAL FILER REFERENCE DATA

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1-100178-1

FILING OFFICE COPY - NATIONAL UCC FINANCING STATEMENT (FORM UCC1) (REV. 07/29/98)

Prepared by UCC Direct Services, P.O. Box 29071, Glendale, CA 91209-9071 Tel: (800) 331-3262

Exhibit "4"

FLORIDA SECURED TRANSACTION REGISTRY

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B. SEND ACKNOWLEDGEMENT TO: (Name and Address)		
UCC Direct Services 93673 CIT.GRP1 P.O. Box 29071 3344724-41-1 Glendale, CA 91209-9071 File with: Florida		

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1a. ORGANIZATION'S NAME IDS TELCOM LLC				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 1525 NORTHWEST 167TH		CITY MIAMI	STATE FL	POSTAL CODE 33169
1d. TAX ID #, SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION Limited Liability Corporation	1f. JURISDICTION OF ORGANIZATION FL	1g. ORGANIZATIONAL ID #, if any L00000008398 <input type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
2d. TAX ID #, SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME The CIT Group/Equipment Financing, Inc.				
OR				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 650 CIT Drive		CITY Livingston	STATE NJ	POSTAL CODE 07039

4. This FINANCING STATEMENT covers the following collateral:

"This is a True Lease this UCC-1 Financing Statement is being filed for information purposes only" 1-SAVIN 995 COPIER* plus all other types of office equipment and products, computers, security systems and other commercial items of equipment now and hereafter leased to and/or financed for Debtor/Lessee by Secured Party/Lessor, and including all replacements, upgrades and substitutions hereafter occurring to all of the foregoing equipment and all now existing and future attachments, parts, accessories and add-ons for all of the foregoing items and types of equipment, and all proceeds and products thereof."

<input type="checkbox"/> Documentary stamp tax paid	<input checked="" type="checkbox"/> Documentary stamp tax not applicable
5. ALTERNATIVE DESIGNATION (if applicable) <input checked="" type="checkbox"/> LESSEE/LESSOR <input type="checkbox"/> CONSIGNEE/CONSIGNOR <input type="checkbox"/> BAILEE/BAILOR <input type="checkbox"/> SELLER/BUYER <input type="checkbox"/> AG. LIEN <input type="checkbox"/> NON-UCC FILING	
6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable) <input type="checkbox"/> Check to REQUEST SEARCH REPORT(S) on Debtor(s) (optional) <input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2	
8. OPTIONAL FILER REFERENCE DATA 3344724	

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2004 Jun 11 AM 12:00

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A. NAME & PHONE OF CONTACT AT FILER (optional) Phone: (800) 331-3282 Fax: (818) 662-4141	
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1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME IDS TELCOM LLC				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 1525 N.W. 167TH STREET, STE. 200		CITY MIAMI	STATE FL	POSTAL CODE 33169
				COUNTRY
1d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION Limited Liability Corporation	1f. JURISDICTION OF ORGANIZATION FL	1g. ORGANIZATIONAL ID #, if any 650923839 <input type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
				COUNTRY
2d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME FPC Funding II LLC				
OR				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 7145 SW Varns Street, Suite D		CITY Portland	STATE OR	POSTAL CODE 97223
				COUNTRY

4. This FINANCING STATEMENT covers the following collateral:

Equipment Lease Agreement Number 22138701 (the "Lease"). All personal property and/or equipment, including fixtures, which is the subject of the above reference Lease (as More specifically described below) including all alterations, improvements and additions. The Secured party named above (the "Lessor") and the Debtor named above (the "Lessee") intend and agree that the transaction under the lease constitutes a 'true lease' of the property which is the subject of the Lease. The execution and filing of this financing statement shall not be construed to contradict such intention and agreement. If, however, the transaction under the Lease is deemed to constitute a financing or any other transaction not constituting a 'true lease', it shall be deemed that this financing statement has been filed to perfect any security interest granted by the Lessee under the Lease to secure all of the Lessee's obligations to the Lessor under the Lease. 1 CTN40S E550 CPM DIGITAL COPIER 1 BTNB01 RAIL FOR FINISHER 550/650/810 1 BTNS01 FINISHER 100 SHEET W/SADDLE 550/650/810 1021 CL210148 1 BTC00R DSSC CONTROLLER 550/650/810 1 BTN004 250 ESTUDIO DIGITAL TOSH E250 CTK321879 1 CNT6T STAND TALL E16/25 1 BTC002 PRINTER KIT 160/200/250 1 BTC00A 64MB PRT MEMORY 160/200/250 1 BTC00P NIC KIT 160/200/250 1 PCT01 PLATEN COVER

☐ Documentary stamp tax paid ☒ Documentary stamp tax not applicable

5. ALTERNATIVE DESIGNATION (if applicable) <input checked="" type="checkbox"/> LESSEE/LESSOR <input type="checkbox"/> CONSIGNEE/CONSIGNOR <input type="checkbox"/> BAILEE/BAILOR <input type="checkbox"/> SELLER/BUYER <input type="checkbox"/> AG. LIEN <input type="checkbox"/> NON-UCC FILING
6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable) 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (optional) <input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2
8. OPTIONAL FILER REFERENCE DATA 6272320

UNIFORM COMMERCIAL CODE

STATE OF FLORIDA
FINANCING STATEMENT

(STATE OF FLORIDA)

FORM UCC-1 (REV. 1993)

This Financing Statement is presented to a filing officer for filing pursuant to the Uniform Commercial Code:

1. Debtor (Last Name First if an individual) IDS LONG DISTANCE, INC.		1a. Date of Birth or FEI# 65-0164149	
1b. Mailing Address 1525 NW 167TH STREET, SUITE 200		1c. City, State MIAMI, FL	
1d. Zip Code 33169		2. Additional Debtor or Trade Name (Last Name First if an individual)	
2a. Date of Birth or FEI#		2b. Mailing Address	
2c. City, State		2d. Zip Code	
3. Secured Party (Last Name First if an individual) TELECOMMUNICATIONS FINANCE GROUP			
3a. Mailing Address 400 RINEHART RD.		3b. City, State LAKE MARY, FL	
3c. Zip Code 32746		4. Assignee of Secured Party (Last Name First if an individual)	
4a. Mailing Address		4b. City, State	
4c. Zip Code		5. This Financing Statement covers the following types or items or property [include description of real property on which located and owner of record when required. If more space is required, attach additional sheet(s)].	
SEE EXHIBIT A TO FORM UCC-1 HERETO ATTACHED (SITE: MIAMI, FL)			
990000009896-4 -01/14/99-01085-002 *****31.00			
6. Check only if Applicable:		<input type="checkbox"/> Products of collateral are also covered.	
		<input checked="" type="checkbox"/> Proceeds of collateral are also covered.	
		<input type="checkbox"/> Debtor is transmitting utility.	
7. Check appropriate box: (One box must be marked)		<input checked="" type="checkbox"/> All documentary stamp taxes due and payable or to become due and payable pursuant to s. 201.22 F.S., have been paid.	
		<input type="checkbox"/> Florida Documentary Stamp Tax is not required.	
8. In accordance with s. 679.402(2), F.S., this statement is filed without the Debtor's signature to perfect a security interest in collateral:		9. Number of additional sheets presented: _____	
<input type="checkbox"/> already subject to a security interest in another jurisdiction when it was brought into this state or debtor's location changed to this state.		This Space for Use of Filing Officer FILED JAN 14, 1999 08:00 AM SECRETARY OF STATE TALLAHASSEE, FLORIDA 990000009896 MM	
<input type="checkbox"/> which is proceeds of the original collateral described above in which a security interest was perfected.			
<input type="checkbox"/> as to which the filing has lapsed. Date filed _____ and previous UCC-1 file number _____			
<input type="checkbox"/> acquired after a change of name, identity, or corporate structure of the debtor.			
10. Signature(s) of Debtor(s) IDS LONG DISTANCE, INC. X			
11. Signature(s) of Secured Party or if Assigned, by Assignee(s) TELECOMMUNICATIONS FINANCE GROUP X			
12. Return Copy to:			
Name		TELECOMMUNICATIONS FINANCE GROUP	
Address		400 Rinehart Road	
Address		Lake Mary, Florida 32746	
City, State, Zip		Attn: T. Vigie (A-5)	

FILING OFFICER COPY

STANDARD FORM - FORM UCC-1

Approved by Secretary of State, State of Florida

EXHIBIT A TO FORM UCC-1

The creditor (Lessor) and the debtor (Lessee) agree that the property described in Exhibit A to this Financing Statement is owned absolutely by the Lessor, and that the transaction with respect to which this Financing Statement is filed is a true lease transaction. The creation and filing (or recording) of this Financing Statement are not intended to convert the transaction between the Lessor and the Lessee into a transaction intended for security, but instead are intended to give notice to all interested parties of the Lessor's absolute ownership of the property, and to perfect a security interest in the property in case a court of proper jurisdiction should determine that the transaction between the Lessor and the Lessee is not a true lease (transaction). This security interest shall extend to any proceeds from the property as well as any chattel paper related to the property.

EQUIPMENT

The items of personal property to be leased pursuant to this Lease Agreement, dated as of October 20, 1998, between TELECOMMUNICATIONS FINANCE GROUP, as Lessor, and IDS LONG DISTANCE, INC., as Lessee, are described below and in the attached equipment list(s):

<u>Equipment</u>	<u>Quantity</u>
EWSD SWITCHING SYSTEM INCLUDING LEASE 16 SOFTWARE; 3 WEEKS ON-SITE FTER CUT SUPPORT	1 LOT

Plus Peripheral Equipment

The above described equipment to be installed at:

~~1525 N.W. 163RD DR. MIAMI, FL 33169~~
1080 N.W. 163RD DR. MIAMI, FL 33169



Sep-24-98 09:31A

SEP-23-98(WED) 17:50 GLASS&GILLI

TEL: 4079556807

P.02

P.003

SIEMENS

EWSD

Quote Specification Parameters

To: IDS

Date: 9/22/98

Jeanette Prues
1525 NW 167th St.
Suite 200
Miami, FL 33189

Quote Number: 982209

Project: EWSD

Site Name: Miami, FL Enter New Description

Requested Delivery Date: 1/5/99

The configuration parameters below support the pricing provided on the associated contract offer.

Item	Description	Customer Requirements
1	Analog	2
2	ISDN - BRI	0
3	TLC Systems	20 60
4	TR-303 T-1 Links	0
5	Standard T-1 (DS1)	80 40
6	Long Distance Trunks (DS1)	280 360
7	ISDN - PRI links	20 40
8	TR-303 Links	0
9	Power for EWSD	Yes NO
10	Spec Package for EWSD	Yes
11	ROTL	Yes
12	MUSP	No
13	IPH	No
14	Additional OMT	No
15	Additional Printer	No
16	Bypass Link Customer (BLC)	No
17	Voice Mail System (Including Wake Up Services)	No
18	Alarm Sending	Yes
19	Y-splicing	No
20	Turn-to-cut Support (Weeks)	0
21	AMA Verification (Hours)	0
22	Pentium CD-ROM Reader	0
23	IOC Toll Free Expansion using AIN 0.1	No
24	Multiple Presubscription	No
25	Call Waiting Delux	No
26	ISDN PRI Calling Name delivery and Hsc/Misc	No
27	Voice Assisted Dialing	No
28	Local Number Portability	Yes
29	Long Distance Features and Services	Yes
30	AIN 0.2 Functionalities	No
31	AIN Intelligent Peripheral Interface	No
32	National ISDN B1c1 1.2.3 over GR-303	No
33	Year 2000 Readiness	Yes
34	Adverse 15 Foot Track Feature Package	No
35	Wireless Service Provider to Connecting LEC #4	No
36	Support Same NXX in Multiple Numbering Plan Area	No
37	Remote Intelligent Peripheral Interface Functions	No

Program Version 3.2

Database Version 3.1



UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

FLORIDA SECURED TRANSACTION REGISTRY

FILED

2003 Jun 02 AM 12:00

***** 200304107601 *****

A. NAME & PHONE OF CONTACT AT FILER [optional] Phone: (800) 331-3282 Fax: (818) 682-4141	
B. SEND ACKNOWLEDGEMENT TO: (Name and Address) 510540 ISANTABARBARA6	
UCC Direct Services P.O. Box 29071 Glendale, CA 91209-9071	5814037 FLFL

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME IDS TELCOM LLC				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 1525 NW 167TH ST. STE. 200		CITY MIAMI	STATE FL	POSTAL CODE 33169
1d. TAX ID #: SSN OR EIN		ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION Limited Liability Corporation	1f. JURISDICTION OF ORGANIZATION FL
1g. ORGANIZATIONAL ID #, if any L00000008398				<input type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
2d. TAX ID #: SSN OR EIN		ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION
2g. ORGANIZATIONAL ID #, if any				<input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME SANTA BARBARA BANK & TRUST, a division fo Pacific Capital Bank, N.A.				
OR				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS P.O. BOX 60607		CITY SANTA BARBARA	STATE CA	POSTAL CODE 93160-0607

4. This FINANCING STATEMENT covers the following collateral:

AS DESCRIBED PER ATTACHED ADDENDA "I". (1 PG)

☐ Documentary stamp tax paid ☒ Documentary stamp tax not applicable

5. ALTERNATIVE DESIGNATION (if applicable)	<input type="checkbox"/> LESSEE/LESSOR	<input type="checkbox"/> CONSIGNEE/CONSIGNOR	<input type="checkbox"/> BAILEE/BAI-LOR	<input type="checkbox"/> SELLER/BUYER	<input type="checkbox"/> AG. LIEN	<input type="checkbox"/> NON-UCC FILING
6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (optional)		<input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2			

B. OPTIONAL FILER REFERENCE DATA

5814037

5873

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

FLORIDA SECURED TRANSACTION REGISTRY

FILED

2003 Jun 12 AM 12:00

***** 200304196752 *****

A. NAME & PHONE OF CONTACT AT FILER (optional) Phone: (800) 331-3282 Fax: (818) 662-4141	
B. SEND ACKNOWLEDGEMENT TO: (Name and Address) 511009 IWELLSFARGO8	
UCC Direct Services P.O. Box 29071 Glendale, CA 91209-9071	5826415 FLFL

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME IDS TELCOM, LLC				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 1525 NORTH WEST 167TH STREET		CITY MIAMI	STATE FL	POSTAL CODE 33169
1d. TAX ID #: SSN OR EIN 65-0923839		1e. TYPE OF ORGANIZATION Limited Liability Corporation	1f. JURISDICTION OF ORGANIZATION FL	1g. ORGANIZATIONAL ID #, if any L00000008398 <input type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
2d. TAX ID #: SSN OR EIN		2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - Insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME WELLS FARGO FINANCIAL LEASING				
OR				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 95 ROUTE 17 SOUTH		CITY PARAMUS	STATE NJ	POSTAL CODE 07652

4. This FINANCING STATEMENT covers the following collateral:

55- VINA T1 INTEGRATORS 84- 8-PORT FXS CARDS 30- BRACKETS 1- CISCO 2600T1/FT1 WAN INTERFACE CARD

<input type="checkbox"/> Documentary stamp tax paid	<input checked="" type="checkbox"/> Documentary stamp tax not applicable
5. ALTERNATIVE DESIGNATION (if applicable) <input type="checkbox"/> LESSEE/LESSOR <input type="checkbox"/> CONSIGNEE/CONSIGNOR <input type="checkbox"/> BAILEE/BAILOR <input type="checkbox"/> SELLER/BUYER <input type="checkbox"/> AG. LIEN <input type="checkbox"/> NON-UCC FILING	
6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum. (if applicable) (ADDITIONAL FEE) (optional)	
7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) <input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2	
8. OPTIONAL FILER REFERENCE DATA	

5826415

6008616-001

FILING OFFICE COPY - NATIONAL UCC FINANCING STATEMENT (FORM UCC1) (REV. 07/29/98)

Prepared by UCC Direct Services, P.O. Box 29071,
Glendale, CA 91209-9071 Tel: (800) 331-3282

Return To:
LexisNexis Document Solutions
801 Adlai Stevenson Drive
Springfield, IL 62703
Phone: (217) 544-5900



8951105-2

Courier: First Class Mail
Debtor: IDS Telcom LLC
Juris: Florida, FL

FLORIDA SECURED TRANSACTION REGISTRY

FILED

2003 Apr 22 AM 12:00

***** 200303794346 *****

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME IDS Telcom LLC						
OR	1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
1c. MAILING ADDRESS 1525 NW 167th Street Suite 200			CITY Miami	STATE FL	POSTAL CODE 33169	COUNTRY USA
1d. <u>SEE INSTRUCTIONS</u>	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION CORP	1f. JURISDICTION OF ORGANIZATION FL	1g. ORGANIZATIONAL ID #, if any L00000008398 <input type="checkbox"/> NONE		

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME						
OR	2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
2c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
2d. <u>SEE INSTRUCTIONS</u>	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE		

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME FPC Funding II LLC						
OR	3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
3c. MAILING ADDRESS 7145 SW Varns Street, Suite D			CITY Portland	STATE OR	POSTAL CODE 97223-8057	COUNTRY USA

4. This FINANCING STATEMENT covers the following collateral:

Florida Documentary Stamp Tax is not required

Equipment Lease Agreement Number 300981-000 (the 'Lease').

All personal property and/or equipment, including fixtures, which is the subject of the above reference Lease (see Exhibit "A" attached hereto and made a part hereof) including all alterations, improvements and additions.

The Secured party named above (the 'Lessor') and the Debtor named above (the 'Lessee') intend and agree that the transaction under the lease constitutes a 'true lease' of the property which is the subject of the Lease. The execution and filing of this financing statement shall not be (See Attached)

5. ALTERNATIVE DESIGNATION (if applicable):		LESSEE/LESSOR	CONSIGNEE/CONSIGNOR	BAILEE/BAILOR	SELLER/BUYER	AG. LIEN	NON-UCC FILING
6. This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum		7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (optional)		All Debtors Debtor 1 Debtor 2			
8. OPTIONAL FILER REFERENCE DATA 300981-000							

FL-SOS

FILING OFFICE COPY — UCC FINANCING STATEMENT (FORM UCC1) (REV. 05/22/02)

LexisNexis Document Solutions
801 Adlai Stevenson Drive
Springfield, IL 62703-4261

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

9a. ORGANIZATION'S NAME IDS Telecom LLC		
OR	9b. INDIVIDUAL'S LAST NAME	FIRST NAME MIDDLE NAME, SUFFIX

10. MISCELLANEOUS: PL-SOS

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one name (11a or 11b) - do not abbreviate or combine names

11a. ORGANIZATION'S NAME				
OR	11b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
11c. MAILING ADDRESS		CITY	STATE	POSTAL CODE COUNTRY
ADDITIONAL INFO RE ORGANIZATION DEBTOR		11e. TYPE OF ORGANIZATION	11f. JURISDICTION OF ORGANIZATION	11g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

12. ADDITIONAL SECURED PARTY'S or ASSIGNOR S/P'S NAME - insert only one name (12a or 12b)

12a. ORGANIZATION'S NAME				
OR	12b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
12c. MAILING ADDRESS		CITY	STATE	POSTAL CODE COUNTRY

13. This FINANCING STATEMENT covers ☐ timber to be cut or ☐ as-extracted collateral, or is filed as a ☐ fixture filing.

14. Description of real estate:

15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

16. Additional collateral description:

construed to contradict such intention and agreement. If, however, the transaction under the Lease is deemed to constitute a financing or any other transaction not constituting a 'true lease', it shall be deemed that this financing statement has been filed to perfect any security interest granted by the Lessee under the Lease to secure all of the Lessee's obligations to the Lessor under the Lease.

17. Check only if applicable and check only one box.

Debtor is a ☐ Trust or ☐ Trustee acting with respect to property held in trust or ☐ Decedent's Estate

18. Check only if applicable and check only one box.

☐ Debtor is a TRANSMITTING UTILITY
☐ Filed in connection with a Manufactured-Home Transaction — effective 30 years
☐ Filed in connection with a Public-Finance Transaction — effective 30 years

EXHIBIT "A"

Page 1 of 1

Lease Agreement No. 300981-000 dated April 9, 2003 (the "Lease") between IFC Credit Corporation ("Lessor") and IDS Telecom LLC ("Lessee")

Equipment Location : 1080 NW 163rd Drive North Miami, Florida 33169

<u>QTY</u>	<u>MAKE</u>	<u>MODEL NO.</u>	<u>SERIAL NUMBER</u>	<u>EQUIPMENT DESCRIPTION</u>
18				Vina T1 Integrator/Hardware
15				Alcatel 1630 SX Port Card/Hardware

Supplier: PICS Telecom Corporation 1920 Lycell Ave. Rochester, New York 14606

Equipment Location : 1525 NW 167th Street Suite 200 Miami, Florida 33169

<u>QTY</u>	<u>MAKE</u>	<u>MODEL NO.</u>	<u>SERIAL NUMBER</u>	<u>EQUIPMENT DESCRIPTION</u>
2				Compaq Proliant DL380 G3 Xeon - 2.4GHZ 512MB S
6				18 2GB Pluggable wide SCSI U3 HD 10K RPM UNL

Supplier: Programmers' Paradise, Inc. 1157 Shrewsbury Ave. Shrewsbury, New Jersey 07702

<u>QTY</u>	<u>MAKE</u>	<u>MODEL NO.</u>	<u>SERIAL NUMBER</u>	<u>EQUIPMENT DESCRIPTION</u>
1		1100		Snap Server Quantum

Supplier: Total Training Network, Inc. 7831 E. Bush Lake Road P.O. Box 1521 Minneapolis, Minnesota 55439

LESSOR: IFC Credit Corporation

LESSEE: IDS Telecom LLC

Authorized Signature _____

Authorized Signature _____

Name _____ Title _____

Name Michael Noshay Title Manager

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional] Phone: (800) 331-3282 Fax: (618) 662-4141	
B. SEND ACKNOWLEDGEMENT TO: (Name and Address) 510968 IMARLIN UCC Direct Services P.O. Box 29071 Glendale, CA 91209-9071 5850444 FLFL	

FLORIDA SECURED TRANSACTION REGISTRY

FILED

2003 Jul 07 AM 12:00

***** 200304381428 *****

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME IDS TELCOM LLC				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 1525 NW 167TH ST, STE 200		CITY MIAMI	STATE FL	POSTAL CODE 33169
1d. TAX ID #: SSN OR EIN		ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION Limited Liability Corporation	1f. JURISDICTION OF ORGANIZATION FL
1g. ORGANIZATIONAL ID #, if any				<input checked="" type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
2d. TAX ID #: SSN OR EIN		ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION
2g. ORGANIZATIONAL ID #, if any				<input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME Marlin Leasing Corp.				
OR				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS 124 Gaither Drive Suite 170		CITY Mount Laurel	STATE NJ	POSTAL CODE 08054

4. This FINANCING STATEMENT covers the following collateral:

(1) SAVIN 4090 DIGITAL IMAGING SYSTEM, S/N J7030100103, *AND ALL REPLACEMENTS, SUBSTITUTIONS, ACCESSIONS, ADD-ONS, AND ALL PROCEEDS AND ACCOUNTS OF THE DEBTOR ARISING OUT OF OR RELATED TO THE FOREGOING. THIS FINANCING STATEMENT RELATES TO AN EQUIPMENT LEASE BETWEEN THE DEBTOR (AS LESSEE) AND THE SECURED PARTY (AS LESSOR). THE LEASE IS A "TRUE LEASE", AND THIS FINANCING STATEMENT IS FILED TO GIVE NOTICE OF SECURED PARTY'S OWNERSHIP INTEREST IN THE COLLATERAL AND ALSO AS A PRECAUTIONARY MEASURE IN THE EVENT THE LEASE IS DETERMINED TO BE OTHER THAN A TRUE LEASE."

☐ Documentary stamp tax paid ☒ Documentary stamp tax not applicable5. ALTERNATIVE DESIGNATION [if applicable] ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOB ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING6. ☐ This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable] 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2 ☐ ADDITIONAL FEE [optional]

8. OPTIONAL FILER REFERENCE DATA

5850444

1-100178-2

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional) Phone: (800) 331-3282 Fax: (818) 582-4141	
B. SEND ACKNOWLEDGEMENT TO: (Name and Address) 95130 FLEET CAP UCC Direct Services P.O. Box 29071 Glendale, CA 91209-9071 3585717 FLFL	

FLORIDA SECURED TRANSACTION REGISTRY

FILED

2003 Jul 15 AM 12:00

***** 200304462258 *****

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> debtor name (1a or 1b) - do not abbreviate or combine names				
1a. ORGANIZATION'S NAME IDS TELCOM LLC				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 1525 NW 167TH ST SECOND FLOOR		CITY MIAMI	STATE FL	POSTAL CODE 33169
1d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION CORP	1f. JURISDICTION OF ORGANIZATION FL	1g. ORGANIZATIONAL ID #, if any <input checked="" type="checkbox"/> NONE
2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> debtor name (2a or 2b) - do not abbreviate or combine names				
2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
2d. TAX ID #: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE
3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only <u>one</u> secured party name (3a or 3b)				
3a. ORGANIZATION'S NAME FLEET BUSINESS CREDIT, LLC				
OR				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS P.O. BOX 7023		CITY TROY	STATE MI	POSTAL CODE 48007-7023

4. This FINANCING STATEMENT covers the following collateral:

Pursuant to contract 004-1720809-000; (417018)1 SAVIN COPIER 4090 J7030100032 1525 NW 167TH ST STE 200 MIAMI FL 33169

<input type="checkbox"/> Documentary stamp tax paid	<input checked="" type="checkbox"/> Documentary stamp tax not applicable
5. ALTERNATIVE DESIGNATION (if applicable) <input type="checkbox"/> LESSEE/LESSOR <input type="checkbox"/> CONSIGNEE/CONSIGNOR <input type="checkbox"/> BAILEE/BAILOB <input type="checkbox"/> SELLER/BUYER <input type="checkbox"/> AG. LIEN <input type="checkbox"/> NON-UCC FILING	
6. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum if applicable. <input type="checkbox"/> Check to REQUEST SEARCH REPORT(S) on Debtor(s). <input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2	
7. <input type="checkbox"/> Check to REQUEST ADDITIONAL FEE (optional)	
8. OPTIONAL FILER REFERENCE DATA 3585717	

FILING OFFICE COPY - NATIONAL UCC FINANCING STATEMENT (FORM UCC1) (REV. 07/29/98)

Prepared by UCC Direct Services, P.O. Box 29071, Glendale, CA 91209-9071 Tel (800) 331-3282

FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

9a. ORGANIZATION'S NAME IDS TELCOM LLC		
OR		
9b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME, SUFFIX

10. MISCELLANEOUS

3585717-40-1

95130 FLEET CAP

File with: Florida

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - Insert only one name (11a or 11b) - do not abbreviate or combine names

11a. ORGANIZATION'S NAME				
OR				
11b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX	
11c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
11d. TAX ID#: SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	11e. TYPE OF ORGANIZATION	11f. JURISDICTION OF ORGANIZATION	11g. ORGANIZATIONAL ID #, if any <input type="checkbox"/> NONE

12. ☐ ADDITIONAL SECURED PARTY'S or ☒ ASSIGNOR S/P's NAME - Insert only one name (12a or 12b)

12a. ORGANIZATION'S NAME SAVIN CORPORATION			
OR			
12b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX
12c. MAILING ADDRESS 333 LUDLOW ST	CITY STAMFORD	STATE CT	POSTAL CODE 06904-2270 COUNTRY

13. This FINANCING STATEMENT covers ☐ timber to be cut or ☐ as-extracted collateral or is filed as a ☐ fixture filing.

14. Description of real estate:

16. Additional collateral description:

15. Name and address of a RECORD OWNER of above-described real estate (If Debtor does not have a record interest):

17. Check only if applicable and check only one box.

Debtor is a ☐ Trust or ☐ Trustee acting with respect to property held in trust or ☐ Decedent's Estate

18. Check only if applicable and check only one box.

- ☐ Debtor is a TRANSMITTING UTILITY
☐ Filed in connection with a Manufactured Home Transaction -- effective 30 years
☐ Filed in connection with a Public-Finance Transaction -- effective 30 years

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional) Phone: (800) 331-3282 Fax: (818) 662-4141	
B. SEND ACKNOWLEDGEMENT TO: (Name and Address) 513036 IOFC UCC Direct Services P.O. Box 29071 Glendale, CA 91209-9071 5901914 FLFL	

FLORIDA SECURED TRANSACTION REGISTRY

FILED

2003 Aug 22 AM 12:00

***** 200304775744 *****

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME

IDS Telcom, LLC

OR

1b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

1c. MAILING ADDRESS

1525 NW 167th Street Suite 200

CITY

Miami

STATE

FL

POSTAL CODE

33169

COUNTRY

1d. TAX ID #: SSN OR EIN

65-0923839

ADD'L INFO RE
ORGANIZATION
DEBTOR

1e. TYPE OF ORGANIZATION

Limited Liability Corporation

1f. JURISDICTION OF ORGANIZATION

FL

1g. ORGANIZATIONAL ID #, if any

L00000008398

☐ NONE2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

2c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

2d. TAX ID #: SSN OR EIN

ADD'L INFO RE
ORGANIZATION
DEBTOR

2e. TYPE OF ORGANIZATION

2f. JURISDICTION OF ORGANIZATION

2g. ORGANIZATIONAL ID #, if any

☐ NONE3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME

Alfa Financial Corporation dba OFC Capital

OR

3b. INDIVIDUAL'S LAST NAME

FIRST NAME

MIDDLE NAME

SUFFIX

3c. MAILING ADDRESS

576 Colonial Park Drive Suite 200

CITY

Roswell

STATE

GA

POSTAL CODE

30075

COUNTRY

4. This FINANCING STATEMENT covers the following collateral:

20 - ELINK-208 ELINK-208 60 - ELINK-208/8 ELINK 208/8 PORT FXS ELINK-216/16 ELINK 216 W 16 PORT FXS ELINK-224 ELINK224 1 - CISCO 2610
1 - 72658 6 - CISCO 1720 7 - WIC-1DSU-T1 1 - CISCO 1720☒ Documentary stamp tax paid ☐ Documentary stamp tax not applicable5. ALTERNATIVE DESIGNATION (if applicable) ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING6. ☐ This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum (if applicable) 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2 (optional)

8. OPTIONAL FILER REFERENCE DATA

5901914

IDSTEL

**STATE OF FLORIDA UNIFORM COMMERCIAL CODE
FINANCING STATEMENT FORM**

A. NAME & DAYTIME PHONE NUMBER OF CONTACT PERSON	
Diligenz, Inc. 1-800-858-5294	
B. SEND ACKNOWLEDGEMENT TO:	
Name	4936056
Address	Diligenz, Inc. 6500 Harbour Heights Pkwy Suite 400 Mukilteo, WA 98275
City/State/Zip	

FLORIDA SECURED TRANSACTION REGISTRY

FILED

2003 Aug 08 AM 12:00

***** 200304662656 *****

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - INSERT ONLY ONE DEBTOR NAME (1a OR 1b) - Do Not Abbreviate or Combine Names

1a. ORGANIZATION'S NAME IDS TELCOM, LLC					
1b. INDIVIDUAL'S LAST NAME		FIRST NAME		MIDDLE NAME	
1c. MAILING ADDRESS 1525 NW 167TH STREET 2ND FLOOR		CITY MIAMI		STATE FL	POSTAL CODE 33169
					COUNTRY USA
1d. TAX ID#	REQUIRED ADD'L INFO RE: ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION LLC	1f. JURISDICTION OF ORGANIZATION FL	1g. ORGANIZATIONAL ID# L0000008398 <input type="checkbox"/> NONE	

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - INSERT ONLY ONE DEBTOR NAME (2a OR 2b) - Do Not Abbreviate or Combine Names

2a. ORGANIZATION'S NAME					
2b. INDIVIDUAL'S LAST NAME		FIRST NAME		MIDDLE NAME	
2c. MAILING ADDRESS		CITY		STATE	POSTAL CODE
					COUNTRY
2d. TAX ID#	REQUIRED ADD'L INFO RE: ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID# <input type="checkbox"/> NONE	

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - INSERT ONLY ONE SECURED PARTY NAME (3a OR 3b)

3a. ORGANIZATION'S NAME Butler Capital Corporation					
3b. INDIVIDUAL'S LAST NAME		FIRST NAME		MIDDLE NAME	
3c. MAILING ADDRESS 10944 Beaver Dam Rd, Suite A		CITY Cockeysville		STATE MD	POSTAL CODE 21030
					COUNTRY USA

4. This FINANCING STATEMENT covers the following collateral:

eLink 208/8 port FXS, eLink 216 W 16 Port FXS, eLink224, T-band 2208A Test Sets, 8 Port Multichannel adapter, Cisco 7500 Series router card, Rack mount. memory Card, Memory Card, T Network module, Cisco 2600 Router T1 Interface Card

5. ALTERNATE DESIGNATION (if applicable)

LESSEE/LESSOR

CONSIGNEE/CONSIGNOR

BAILEE/BAILOR

AG. LIEN

NON-UCC FILING

SELLER/BUYER

6. Florida DOCUMENTARY STAMP TAX - YOU ARE REQUIRED TO CHECK EXACTLY ONE BOX

☐
☒

All documentary stamps due and payable or to become due and payable pursuant to s. 201.22 F.S., have been paid.

Florida Documentary Stamp Tax is not required.

7. OPTIONAL FILER REFERENCE DATA

STANDARD FORM - FORM UCC-1 (REV.12/2001)

Filing Office Copy

Approved by the Secretary of State, State of Florida

THIS SPACE FOR USE OF FILING OFFICER

FILED

FEB 12, 2001 08:00 AM
 SECRETARY OF STATE
 TALLAHASSEE, FLORIDA
 200100033000 MD

FINANCING STATEMENT — FOLLOW INSTRUCTIONS CAREFULLY
 This Financing Statement is presented for filing pursuant to the Uniform Commercial Code and will remain effective, with certain exceptions, for 5 years from date of filing.

A. NAME & TEL. # OF CONTACT AT FILER (optional) TONI PETERSON 860-399-5531		B. FILING OFFICE ACCT. # (optional)
C. RETURN COPY TO: (Name and Mailing Address) <div style="border: 1px solid black; padding: 5px; margin: 10px auto; width: 80%;"> UCC/CREDIT MANAGEMENT CORPORATION PO BOX 410 WESTBROOK CT 06498 </div>		
D. OPTIONAL DESIGNATION (if applicable): <input checked="" type="checkbox"/> LESSOR/LESSEE <input type="checkbox"/> CONSIGNOR/CONSIGNEE <input type="checkbox"/> NON-UCC FILING		

200100033000--7
 -02/12/01--0117--006
 ***\$250.00

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b)							
1a. ENTITY'S NAME IDS LONG DISTANCE							
OR	1b. INDIVIDUAL'S LAST NAME		FIRST NAME		MIDDLE NAME	SUFFIX	
1c. MAILING ADDRESS 1525 NW 167 ST			CITY MIAMI		STATE FL	COUNTRY	POSTAL CODE 33169
1d. S.S. OR TAX I.D. #	OPTIONAL ADD'L INFO RE ENTITY DEBTOR	1e. TYPE OF ENTITY	1f. ENTITY'S STATE OR COUNTRY OF ORGANIZATION		1g. ENTITY'S ORGANIZATIONAL I.D. #, if any <input checked="" type="checkbox"/> NONE		
2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b)							
2a. ENTITY'S NAME							
OR	2b. INDIVIDUAL'S LAST NAME		FIRST NAME		MIDDLE NAME	SUFFIX	
2c. MAILING ADDRESS			CITY		STATE	COUNTRY	POSTAL CODE
2d. S.S. OR TAX I.D. #	OPTIONAL ADD'L INFO RE ENTITY DEBTOR	2e. TYPE OF ENTITY	2f. ENTITY'S STATE OR COUNTRY OF ORGANIZATION		2g. ENTITY'S ORGANIZATIONAL I.D. #, if any <input type="checkbox"/> NONE		
3. SECURED PARTY'S (ORIGINAL SP or ITS TOTAL ASSIGNEE) EXACT FULL LEGAL NAME - insert only one secured party name (3a or 3b)							
3a. ENTITY'S NAME PITNEY BOWES CREDIT CORPORATION							
OR	3b. INDIVIDUAL'S LAST NAME		FIRST NAME		MIDDLE NAME	SUFFIX	
3c. MAILING ADDRESS 27 WATERVIEW DRIVE			CITY SHELTON		STATE CT	COUNTRY	POSTAL CODE 06484
4. This FINANCING STATEMENT covers the following types or items of property: All equipment of whatever nature manufactured, sold or distributed by Pitney Bowes Credit, Inc., Monarch Marketing System Inc., Pitney Bowes Credit Corp., Dictaphone Corp. and subject to lease dated 11/20/00 between Debtor and Secured Party and all proceeds, additions thereto and replacements thereof. LOC 8152548-004							

5. CHECK <input type="checkbox"/> This FINANCING STATEMENT is signed by the Secured Party instead of the Debtor to perfect a security interest (a) in collateral already subject to a security interest in another jurisdiction when it was brought into this state, or when the debtor's location was changed to this state, or (b) in accordance with other statutory provisions (additional data may be required)		7. If filed in Florida (check one) <input type="checkbox"/> Documentary stamp tax paid <input checked="" type="checkbox"/> Documentary stamp tax not applicable	
6. REQUIRED SIGNATURE(S) IDS LONG DISTANCE <i>Antonia Peterson</i> <i>Atty in fact</i>		8. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS Attach Addendum (if applicable)	
9. Check to REQUEST SEARCH CERTIFICATE(S) on Debtor(s) (ADDITIONAL FEE) (optional) <input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2			

Created from: UCC Kwik Doc Inc., P.O. Box 3205, Palm Beach, FL 33480

UNIFORM COMMERCIAL CODE

STATE OF FLORIDA
FINANCING STATEMENT

FORM UCC-1 (REV. 1993)

This Financing Statement is presented to a filing officer for filing pursuant to the Uniform Commercial Code:

1. Debtor (Last Name First if an individual) IDS Wong Distance JAC		1a. Date of Birth or FEI#	
1b. Mailing Address 1525 NW 16th St #200		1c. City, State Miami FL	1d. Zip Code 33169
2. Additional Debtor or Trade Name (Last Name First if an individual)		2a. Date of Birth or FEI#	
2b. Mailing Address		2c. City, State	2d. Zip Code
3. Secured Party (Last Name First if an individual) Crown Bank Hearing			
3a. Mailing Address 612 S Military Tr		3b. City, State Deerfield Beach FL	3c. Zip Code 33442
4. Assignee of Secured Party (Last Name First if an individual)			
4a. Mailing Address		4b. City, State	4c. Zip Code
5. This Financing Statement covers the following types or items or property [include description of real property on which located and owner of record when required. If more space is required, attach additional sheet(s)]. See Schedule A 200000223060-3			
6. Check only if Applicable: <input type="checkbox"/> Products of collateral are also covered. <input type="checkbox"/> Proceeds of collateral are also covered. <input type="checkbox"/> Debtor is transmitting utility.			
7. Check appropriate box: (One box must be marked) <input type="checkbox"/> All documentary stamp taxes due and payable or to become due and payable pursuant to s. 201.22 F.S., have been paid. <input checked="" type="checkbox"/> Florida Documentary Stamp Tax is not required.			
8. In accordance with s. 679.402(2), F.S., this statement is filed without the Debtor's signature to perfect a security interest in collateral: <input type="checkbox"/> already subject to a security interest in another jurisdiction when it was brought into this state or debtor's location changed to this state. <input type="checkbox"/> which is proceeds of the original collateral described above in which a security interest was perfected. <input type="checkbox"/> as to which the filing has lapsed. Date filed _____ and previous UCC-1 file number _____ <input type="checkbox"/> acquired after a change of name, identity, or corporate structure of the debtor.		9. Number of additional sheets presented: 3 This Space for Use of Filing Officer \$34 9/28 (10)	
10. Signature(s) of Debtor(s) Lyselle (Circello) ATTORNEY IN FACT FOR IDS WONG DISTANCE			
11. Signature(s) of Secured Party or if Assigned, by Assignee(s)			
12. Return Copy to: Name Crown Bank Hearing Address 612 S Military Tr Address Deerfield Beach FL 33442 City, State, Zip #412242 FCA-8			

FILING OFFICER COPY

STANDARD FORM - FORM UCC-1

Approved by Secretary of State, State of Florida



CROWN BANK LEASING

A Division of Crown Bank, F.S.B.

612 S. Military Trail • Deerfield Beach, Florida 33442 • (954) 698-0600

LEASE ORIGINAL

This space for Lessor's use only

412242

Lessee

Name

IDS Long Distance, Inc.

Address

1525 N.W. 167 St. Ste. 200

Address

Miami, Fl. 33169

Supplier

Name

TigerDirect.Com

Address

7795 W. Flagler
Miami, Fl. 33144

Deliver To (if other than Lessee's address)

QUANTITY	DESCRIPTION: Model No., Catalog No. or other identification
	SEE SCHEDULE A ATTACHED HERETO AND MADE A PART OF:

IMPORTANT: Supplier and its representatives are not the agents of Lessor. Neither Supplier nor its representatives can waive, vary or alter any of the Terms and Conditions. Lessor does not warrant merchantability of fitness for any particular use of equipment and disclaims any other warranty, express, implied or statutory. Lease payments will be due despite dissatisfaction with equipment for any reason.

SCHEDULE OF PAYMENTS DURING ORIGINAL TERM OF LEASE		PAYABLE AT THE SIGNING OF LEASE	
NUMBER OF MONTHS <u>24</u>	MONTHLY PAYMENT <u>\$1040.72</u>	CHECK ONE <input checked="" type="checkbox"/> <u>1986-84</u> FIRST & LAST <u>1</u> MONTH'S RENT	<input type="checkbox"/> <u>\$</u> SECURITY DEPOSIT

TERMS AND CONDITIONS

1. **LEASE TERM: RENTAL:** Lessor hereby leases to Lessee and Lessee hereby rents from Lessor the equipment described above and on any attached schedule (hereinafter, with all replacement parts, repairs, additions and accessories incorporated therein and/or affixed thereto, referred to as the "Equipment"), on terms and conditions set forth above and below and continued on the reverse side hereof; for the term indicated above, or on any schedule, commencing on the date (the "Commencement Date") that any item of Equipment is delivered by the supplier thereof, (each supplier hereinafter referred to as "Supplier"), to Lessee or an agent of the Lessee, and continuing thereafter until the obligations of Lessee under the Lease have been fully performed. Unless otherwise provided herein, the first monthly payment of rent shall be payable on the Commencement Date, and subsequent monthly payments shall be payable on the corresponding day of each month thereafter, in amounts stated above, or on any schedule, until the total rent and all other obligations of Lessee to Lessor shall have been paid in full. All payments of rent shall be made to the Lessor at its address or at such other place as Lessor may designate in writing. Lessee hereby authorizes Lessor to insert in this lease the serial numbers and other identification data of the Equipment, when determined by Lessor, and dates or other omitted factual matters. Advance rentals are not refundable if for any reason the lease term does not commence. Any security deposit shall be held by Lessor to secure the Lessee's faithful performance of its obligations under the Lease and will be returned to Lessee without interest at the satisfactory expiration of the Lease. Lessee agrees to pay a documentation fee with regard to this transaction.

2. **PURCHASE AND ACCEPTANCE: NO WARRANTIES BY LESSOR:** Lessee requests Lessor to purchase the Equipment from the Supplier and arrange for delivery to Lessee at Lessee's expense, which shall be deemed complete upon the Commencement Date. Lessor shall have no responsibility or delay of failure of Supplier to fill the order for the Equipment. LESSEE ACKNOWLEDGES AND AGREES THAT LESSOR HAS MADE AND MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND OF NATURE, DIRECTLY OR INDIRECTLY, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING THE SUITABILITY OF SUCH EQUIPMENT, ITS DURABILITY, ITS FITNESS FOR ANY PARTICULAR PURPOSE, ITS MERCHANTABILITY, ITS CONDITION AND/OR ITS QUALITY, AND AS BETWEEN LESSEE AND LESSOR, LESSEE LEASES THE EQUIPMENT "AS IS." LESSOR SHALL NOT BE LIABLE TO LESSEE FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE CAUSED DIRECTLY OR INDIRECTLY BY ANY EQUIPMENT LEASED HEREUNDER OR THE USE OR MAINTENANCE THEREOF OR THE FAILURE OF OPERATION THEREOF OR THE REPAIRS, SERVICE OR ADJUSTMENT THEREOF, OR BY ANY DELAY OR FAILURE TO PROVIDE ANY THEREOF, OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE THEREOF OR FOR ANY LOSS OF BUSINESS OR DAMAGE OR CONSEQUENTIAL DAMAGES WHATSOEVER AND HOWSOEVER CAUSED. NO REPRESENTATION OR WARRANTY AS TO THE EQUIPMENT OR ANY OTHER MATTER BY THE SUPPLIER SHALL BE BINDING ON LESSOR, NOR SHALL THE BREACH OF SUCH RELIEVE LESSEE OF, OR IN ANY WAY AFFECT ANY OF LESSEE'S OBLIGATIONS TO LESSOR AS SET FORTH HEREIN. LESSOR DISCLAIMS AND SHALL NOT BE RESPONSIBLE FOR ANY LOSS, DAMAGE OR INJURY TO PERSONS OR PROPERTY CAUSED BY THE EQUIPMENT HOWEVER ARISING.

3. **STATUTORY FINANCE LEASE:** Lessee agrees and acknowledges that it is the intent of both parties to this Lease that it qualify as a statutory finance lease under Article 2A of the Uniform Commercial Code. Lessee acknowledges and agrees that Lessee has selected both: (1) the equipment; and (2) the supplier from whom the Lessor is to purchase the equipment. Lessee acknowledges that Lessor has not participated in any way in Lessee's selection of the equipment or of the supplier, and Lessor has not selected, manufactured, or supplied the Equipment. Lessee is advised that it may have rights under the contract evidencing the Lessor's purchase of the equipment from the supplier chosen by Lessee and that Lessee should contact the supplier of the equipment for a description of any such rights.

4. **LESSOR TERMINATION BEFORE EQUIPMENT ACCEPTANCE:** If within 60 days from the date of Lessor orders the Equipment, same has not been delivered, installed and accepted by Lessee (in form satisfactory to Lessor) Lessor may, on 10 days written notice to Lessee, terminate this Lease and its obligation to Lessee.

SEE REVERSE SIDE FOR ADDITIONAL TERMS AND CONDITIONS WHICH ARE A PART OF THIS LEASE - THIS IS A NON-CANCELLABLE LEASE FOR THE TERM INDICATED ABOVE

Accepted in Florida

LESSOR CROWN BANK, F.S.B.

By

[Signature]

By

IDS Long Distance, Inc.

LESSEE

By

[Signature] President

Date

6/23/2000

4/5/00

Date

[Signature] Witness

PERSONAL GUARANTY

To induce Lessor to enter into the within Lease, the undersigned unconditionally guarantees to Lessor the prompt payment when due to all Lessee's obligations under the Lease. Lessor shall not be required to proceed against Lessee or the Equipment or enforce any other remedy before proceeding against the undersigned. The undersigned agrees to pay all attorney's fees and other expenses incurred by Lessor by reason of default by Lessee or the undersigned. The undersigned waives notice of acceptance hereof and of all other notices or demands of any kind to which the undersigned may be entitled. The undersigned consents to any extensions or modifications granted to Lessee and the release and/or compromise of any obligations of Lessee or any other obligations and guarantors without any way releasing the undersigned from his or her obligations hereunder. This is a continuing Guaranty and shall not be discharged or affected by death of the undersigned, shall bind the heirs, administrators, representatives, successors and assigns of undersigned, and may be enforced by or for the benefit of any assignee or successor of Lessor. At Lessor's option, the undersigned consents to the jurisdiction of the federal or state courts located in Broward County, Florida or Maricopa County, Arizona, with respect to any action hereunder, and waives insofar as permitted by law any trial by jury or any action between the parties.

X

WITNESS SIGNATURE

DATED

X

PERSONAL GUARANTOR SIGNATURE

DATED

X

WITNESS SIGNATURE

DATED

X

PERSONAL GUARANTOR SIGNATURE

DATED

5. **TITLE:** Lessor shall at all times retain title to the Equipment. All documents of title and evidences of delivery shall be delivered to Lessor. Lessee shall not change or remove any insignia or lettering which is on the Equipment at the time of delivery thereof or which is thereafter placed thereon, indicating Lessor's ownership thereof, and at any time during the lease term, upon request of Lessor, Lessee shall affix to the Equipment, in a prominent place, labels, plates or other marking supplied by Lessor stating that the Equipment is owned by Lessor. Lessee authorizes Lessor at Lessee's expense to file a copy of this Lease or any Schedule as a financing statement and in Lessee's name to execute and file financing statements to cover the collateral. Lessee agrees to execute and deliver any other statement or instrument requested by Lessor for such purpose, and agrees to pay or reimburse Lessor for any filing, recording or stamp fees or taxes arising from the filing or recording any such instrument or statement. Lessee shall at its expense protect and defend Lessor's title against all persons claiming against or through Lessee, at all times keeping the Equipment free from any legal process or encumbrance whatsoever, including but not limited to liens, attachments, levies and executions, and shall give Lessor immediate written notice thereof and shall indemnify Lessor from any loss caused thereby. Lessee shall execute and deliver to Lessor, upon Lessor's request, such further instruments and assurances as Lessor deems necessary or advisable for the confirmation or perfection of Lessor's rights hereunder. Unless otherwise agreed in writing, Lessee shall have no right to purchase or otherwise acquire title to or ownership of any of the Equipment.

6. **CARE AND USE OF EQUIPMENT:** Lessee shall maintain the Equipment in good operating condition, repair and appearance, and protect the same from deterioration, other than normal wear and tear; shall use the Equipment in the regular course of business only, within its normal capacity, without abuse, and in a manner contemplated by the manufacturer; shall comply with all laws, ordinances, regulations, requirements and rules with respect to the use, maintenance and operation of the Equipment; shall not make any modification, alteration or addition to the Equipment (other than normal operating accessories or controls which shall, when added to the Equipment, become the property of the Lessor) without the prior written consent of the Lessor, which shall not be unreasonably withheld, shall not so affix the Equipment to realty as to change its nature to real property or fixture, and agrees that the Equipment shall remain personal property at all times regardless of how attached or installed, shall keep the Equipment at the location shown on the schedule and shall not remove the Equipment without the consent of Lessor, which shall not be unreasonable or shall have the right during normal hours, upon reasonable prior notice to Lessee and subject to applicable laws and regulations, to enter upon the premises where the Equipment is located in order to inspect, observe or, if Lessee is in default, remove the Equipment, or otherwise protect Lessor's interest.

7. **NET LEASE TAXES:** Lessee intends the rental payments hereunder to be net to Lessor, and Lessee shall pay all sales, use, excise, personal property stamp, documentary and ad valorem taxes, license and registration fees, assessments, fines, penalties and other charges imposed on the ownership, possession or use of the Equipment during the term of this lease; shall pay all taxes (except Federal or State net income taxes imposed on Lessor) with respect to the rental payments hereunder, and shall reimburse Lessor upon demand for any taxes paid by or advanced by Lessor. Unless otherwise agreed to in writing by Lessor, Lessor shall pay all personal property tax with respect to the Equipment and Lessee shall reimburse Lessor therefor upon demand.

8. **INDEMNITY:** Lessee shall and does hereby agree to indemnify and save Lessor its agents, servants, successors and assigns harmless from any and all liability, damages or loss, including reasonable counsel fees, arising out of the ownership, selection, possession, leasing, renting, operation (regardless of where, how and by whom operated) control, use, condition (including but not limited to latent and other defects not discoverable by Lessee), maintenance, delivery and return of the Equipment. The indemnities and obligations herein provided shall continue in full force and effect notwithstanding termination of the Lease.

9. **INSURANCE:** Lessee shall keep the Equipment insured against all risks of loss or damage from every cause whatsoever for not less than the replacement cost of the Equipment. The amount of such insurance shall be sufficient so that neither Lessor nor Lessee will be considered a coinsurer. Lessee also shall carry public liability insurance, both personal injury and property damage, covering the Equipment. All such casualty insurance shall provide that losses, if any, shall be payable to Lessor, and all such liability insurance shall include Lessor as named insured. Lessee shall pay the premiums for such insurance and upon request deliver to Lessor satisfactory evidence of the insurance coverage required hereunder. The proceeds of such insurance payable as a result of loss or of damage to any item of the Equipment shall be applied to satisfy Lessee's obligations as set forth in paragraph 10 below. Lessee hereby irrevocably appoints Lessor as Lessee's attorney-in-fact to make claim for, receive payment of and execute and endorse all documents, checks or drafts received in payment for loss or damage under any such insurance policy.

10. **RISK OF LOSS:** Lessee hereby assumes the entire risk of loss, damage or destruction of the Equipment from any and every cause whatsoever during the term of this lease and thereafter until redelivery to Lessor. In the event of loss, damage or destruction of any item of Equipment, Lessee at its expense (except to the extent of any proceeds of insurance provided by Lessee which shall have been received by Lessor as a result of such loss, damage and destruction), and at Lessor's option shall either (a) repair such item, returning it to its previous condition, unless damaged beyond repair, or (b) replace such item with a like item acceptable to Lessor, in good condition and of equivalent value, which shall become property of Lessor, included within the term "Equipment" as used herein, and leased from Lessor herewith for the balance of the full term of this lease, or (c) pay Lessor all unpaid rental as may be allocated to such item plus Lessor's anticipated residual value of the Equipment present valued to the date of loss at eight (8%) percent per annum, plus interest at 1-1/2% per month (But in no event more than maximum rate permitted by law) from date until paid.

11. **PERFORMANCE BY LESSOR OF LESSEE'S OBLIGATIONS:** In the event Lessee fails to comply with any provision of this lease, Lessor shall have the right, but shall not be obligated, to effect such compliance on behalf of Lessee upon ten (10) days prior written notice to Lessee. In such event, all monies expended by, and all expenses of Lessor in effecting such compliance, shall be deemed to be additional rental, and shall be paid by Lessee to Lessor at the time of the next monthly payment of rent.

12. **LEASE IRREVOCABILITY AND OTHER COVENANTS AND WARRANTIES OF LESSEE:** Lessee agrees that this lease is irrevocable for the full term thereof; and Lessee's obligations under this lease are absolute and shall continue without abatement and regardless of any disability of Lessee to use the Equipment or any part thereof because of any reason including but not limited to war, act of God, governmental regulations, strike, loss, damage, destruction, failure of or delay in delivery, failure of the Equipment to operate properly, termination by operation of law, or any other cause.

13. **DEFAULT:** If any one of the following events (each an "event of default") shall occur, then to the extent permitted by applicable law, Lessor shall have the right to exercise any one or more of the remedies set forth in Paragraph 14 below: (a) Lessee fails to pay any rental or any other payment hereunder when due, and such failure continues for five (5) days, or (b) Lessee becomes insolvent or makes an assignment for the benefit of creditors, or (c) a receiver, trustee, conservator or liquidator or Lessee or of all or a substantial part of its assets is appointed with or without the application or consent of Lessee or (d) a petition is filed by or against Lessee under the Bankruptcy Code or any amendment thereto, or under any other insolvency law or laws providing for the relief of debtors, or (e) Lessee fails to pay when due any indebtedness to Lessor arising independently of this Lease and such failure continues for five (5) days, or (f) Lessee breaches any other covenant, warranty or agreement hereunder, and such breach continues for ten (10) days after written notice thereof.

14. **REMEDIES:** If an event of default shall occur as described in subparagraph (a) through (f) in Paragraph 13 herein above, Lessor may, at its option, at any time to the extent permitted by law (a) declare the entire amount of unpaid rental for the balance of the term of this lease immediately due and payable, whereupon Lessee shall become obligated to pay to Lessor forthwith the total amount of the unpaid rental for the balance of said term plus Lessor's anticipated residual value of the Equipment present valued to the date of default at five (5%) percent per annum; (b) Lessor's reasonable attorney's fees and court costs, including appeals, and (c) without demand or legal process, enter into the premises where the Equipment may be found and take possession of and remove the Equipment without liability for such retaking. Lessor may sell or otherwise dispose of any such Equipment at a private or public sale. In the event Lessor takes possession of the Equipment, Lessor shall give Lessee credit for any sums received by Lessor from the sale or rental of the Equipment after deduction of the expenses of sale or rental and Lessor's residual interest in the Equipment. Lessee shall also be liable for and shall pay to Lessor (a) all expenses incurred by Lessor in connection with the enforcement of any of Lessor's remedies, including all collection expenses, all expenses of repossessing, storing, shipping, repairing and selling the Equipment, (b) interest on all sums due Lessor from the date of default until paid at the rate of one and one-half (1-1/2%) percent per month, but only to the extent permitted by law, and Lessor and Lessee acknowledge the difficulty in establishing a value for the unexpired lease term and owing to such difficulty agree that the provisions of this paragraph represent an agreed measure of damages and are not to be deemed a forfeiture or penalty.

If an event of default shall occur as described in subparagraph (f) in Paragraph 12 above, Lessor's remedy shall be limited to the amount of any loss suffered by Lessor as a consequence of said default.

Whenever any payment is not made by Lessee when due hereunder, Lessee agrees to pay to Lessor, as an administrative payment to offset Lessor's collection expenses not later than one month thereafter an amount calculated at the rate of five cents per one dollar of each such delayed payment, but only to the extent allowed by law. Such amount shall be payable in addition to all amounts payable by Lessee as a result of exercise of any of the remedies herein provided.

All remedies of Lessor hereunder are cumulative, are in addition to any other remedies provided for by law, and may, to the extent permitted by law, be exercised concurrently or separately. The exercise of any one remedy shall not be deemed to be an election of such remedy or to preclude the exercise of any other remedy. No failure on the part of the Lessor to exercise and no delay in exercising any right or remedy shall operate as a waiver thereof or modify the terms of this lease. If it is determined by a court of competent jurisdiction that this lease constitutes a security transaction, Lessor's recovery shall in no event exceed the maximum permitted by law.

15. **ASSIGNMENT:** Lessor may, without Lessee's consent, assign or transfer this lease, or any Equipment, rent, or other sums due or to become due hereunder, and in such event Lessor's assignee or transferee shall have the rights, power, privileges, and remedies of Lessor hereunder. Upon such assignment Lessee agrees not to assert, as against Lessor's assignee, any defense, setoff, recoupment, claim or counter claim, that Lessee may have against Lessor arising from this transaction or otherwise. Lessee shall not assign this lease or any interests hereunder and shall not enter into any sublease with respect to the Equipment covered hereby without Lessor's prior written consent.

16. **RETURN OF PROPERTY:** Upon the termination or expiration of this lease, or any extension thereof, Lessee shall forthwith deliver, freight prepaid, the Equipment to Lessor, at an address designated by Lessor, complete and in good order and condition, reasonable wear and tear alone excepted. Lessee shall also pay to Lessor such sums as may be necessary to cover replacement for all damaged, broken or missing parts of the Equipment. If upon such expiration or termination Lessee does not immediately return the Equipment to Lessor, the Equipment shall continue to be held and leased hereunder, and this lease shall thereupon be extended indefinitely as to term at the same monthly rental, subject to the right of either Lessee or Lessor to terminate the lease upon thirty (30) days written notice, whereupon Lessee shall forthwith deliver the Equipment to the Lessor as set forth in this paragraph.

17. **MISCELLANEOUS:** This lease contains the entire agreement between the parties and may not be altered, amended, modified, terminated or otherwise changed except by a writing signed by an executive officer of Lessor. This lease shall be binding when accepted in writing, by Lessor and shall be governed by the laws of the State of Florida. Lessee agrees that all actions or proceedings instituted by Lessor or Lessee hereunder, shall, at Lessor's option, be brought in a court of competent jurisdiction in Broward County, Florida or Maricopa County, Arizona. Lessee waives, insofar as permitted, trial by jury in any action between the parties. Lessor and Lessee intend this to be a valid and subsisting legal document, and agree that no provision of this lease which may be deemed unenforceable shall in any way invalidate any other provision or provisions of this lease, all of which shall remain in full force and effect. Any notice intended to be served hereunder shall be deemed sufficiently sent by regular mail, postage prepaid, addressed to the party at the addresses contained herein. This lease shall be binding upon the parties, their successors, legal representatives and assigns.

**Crown Bank Leasing***A Division of Crown Bank, F.S.B.*SCHEDULE A
FOR IDS LONG DISTANCE, INC.

QTY	UNIT	DESCRIPTION
1		15" Monitor
1		HP Sure Store DLT Lib 4116WR Rackmount
1		HP 256 MB ECC SDRAM
1		HP CPU upgrade kit
1		20/40 35/70 40/80GB DLT IV
1		HP Redundant Power Supply
1		HP LH3r P3/600 128 MB 512K Cache
3		HP 0.1 GB low profile 10,000 RPM
1		HP LHG Fan Tray power supply
1		HP Magazine, DLT Lib
1		BP91001 CD Writer
1		HP 128 MB 100 Mhz ECC SDRAM
1		HP 128 MB SDRAM
1		HP Keyboard

612 South Military Trail • Deerfield Beach, Florida 33442
(954) 698-0800 • (800) 775-3273 • FAX: (954) 698-0699

FLORIDA SECURED TRANSACTION REGISTRY

DETAIL RECORD FOR: 990000009896

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STATUS	DATE FILED	EXPIRES	FILINGS COMPLETED THRU	SUMMARY FOR FILING
FILED	01/14/1999	01/14/2009	03/15/2005	990000009896

Events Filed

8

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SECURED PARTIES

Current Secured Parties::1

NAME & ADDRESS

TELECOMMUNICATIONS FINANCE GROUP
400 RINEHART RD LAKE MARY FL 32746

[MORE >](#)

DEBTOR PARTIES

Current Debtor Parties::1

NAME & ADDRESS

IDS TELECOM LLC
1525 NW 167TH ST, SUITE 200 MIAMI FL 33169

[MORE >](#)

DOCUMENT IMAGES

Pages in all forms/attachments::42

DOCUMENT NUMBER	TYPE	DATE	PAGES
990000009896	UCC1	01/14/1999	3

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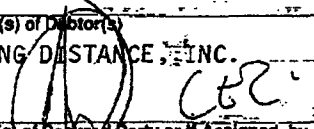
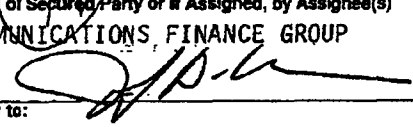
UNIFORM COMMERCIAL CODE

STATE OF FLORIDA
FINANCING STATEMENT

(STATE OF FLORIDA)

FORM UCC-1 (REV. 1993)

This Financing Statement is presented to a filing officer for filing pursuant to the Uniform Commercial Code:

1. Debtor (Last Name First if an individual) IDS LONG DISTANCE, INC.		1a. Date of Birth or Filing 65-0164149	
1b. Mailing Address 1525 NW 167TH STREET, SUITE 200		1c. City, State MIAMI, FL	
2. Additional Debtor or Trade Name (Last Name First if an individual)		2a. Date of Birth or Filing	
2b. Mailing Address		2c. City, State	
2d. Zip Code			
3. Secured Party (Last Name First if an individual) TELECOMMUNICATIONS FINANCE GROUP			
3a. Mailing Address 400 RINEHART RD.		3b. City, State LAKE MARY, FL	
3c. Zip Code 32746			
4. Assignee of Secured Party (Last Name First if an individual)			
4a. Mailing Address		4b. City, State	
4c. Zip Code			
5. This Financing Statement covers the following types or items or property [include description of real property on which located and owner of record when required. If more space is required, attach additional sheet(s)]. SEE EXHIBIT A TO FORM UCC-1 HERETO ATTACHED (SITE: MIAMI, FL) 990000009896-4 -01/14/99-01085-002 *****31.00			
6. Check only if Applicable: <input type="checkbox"/> Products of collateral are also covered. <input checked="" type="checkbox"/> Proceeds of collateral are also covered. <input type="checkbox"/> Debtor is transmitting utility.			
7. Check appropriate box: (One box must be marked) <input checked="" type="checkbox"/> All documentary stamp taxes due and payable or to become due and payable pursuant to s. 201.22 F.S., have been paid. <input type="checkbox"/> Florida Documentary Stamp Tax is not required.			
8. In accordance with s. 679.402(2), F.S., this statement is filed without the Debtor's signature to perfect a security interest in collateral: <input type="checkbox"/> already subject to a security interest in another jurisdiction when it was brought into this state or debtor's location changed to this state. <input type="checkbox"/> which is proceeds of the original collateral described above in which a security interest was perfected. <input type="checkbox"/> as to which the filing has lapsed. Date filed _____ and previous UCC-1 file number _____ <input type="checkbox"/> acquired after a change of name, identity, or corporate structure of the debtor.			
9. Number of additional sheets presented: _____			
This Space for Use of Filing Officer FILED JAN 14, 1999 08:00 AM SECRETARY OF STATE TALLAHASSEE, FLORIDA 990000009896 MM			
10. Signature(s) of Debtor(s) IDS LONG DISTANCE, INC. X 			
11. Signature(s) of Secured Party or if Assigned, by Assignee(s) TELECOMMUNICATIONS FINANCE GROUP X 			
12. Return Copy to: Name: TELECOMMUNICATIONS FINANCE GROUP Address: 400 Rinehart Road Address: Lake Mary, Florida 32746 City, State, Zip: Attn: T. Vigie (A-5)			

FILING OFFICER COPY

STANDARD FORM - FORM UCC-1

Approved by Secretary of State, State of Florida

EXHIBIT A TO FORM UCC-1

The creditor (Lessor) and the debtor (Lessee) agree that the property described in Exhibit A to this Financing Statement is owned absolutely by the Lessor, and that the transaction with respect to which this Financing Statement is filed is a true lease transaction. The creation and filing (or recording) of this Financing Statement are not intended to convert the transaction between the Lessor and the Lessee into a transaction intended for security, but instead are intended to give notice to all interested parties of the Lessor's absolute ownership of the property, and to perfect a security interest in the property in case a court of proper jurisdiction should determine that the transaction between the Lessor and the Lessee is not a true lease (transaction). This security interest shall extend to any proceeds from the property as well as any chattel paper related to the property.

EQUIPMENT

The items of personal property to be leased pursuant to this Lease Agreement, dated as of October 20, 1998, between TELECOMMUNICATIONS FINANCE GROUP, as Lessor, and IDS LONG DISTANCE, INC., as Lessee, are described below and in the attached equipment list(s):

<u>Equipment</u>	<u>Quantity</u>
EWSD SWITCHING SYSTEM INCLUDING RELEASE 16 SOFTWARE; 3 WEEKS ON-SITE FTER CUT SUPPORT	1 LOT

Plus Peripheral Equipment

The above described equipment to be installed at:

~~1525 N.W. 163RD DR. SUITE 200, MIAMI, FL 33169~~
1080 N.W. 163RD DR. MIAMI, FL 33169



Sep-24-98 09:31A

SEP-23-98(WED) 17:50 GLASS&GILLI

TEL: 4079556807

P. 02

P. 003

SIEMENS

EWSD

Quote Specification Parameters

To: IOS

Date: 9/22/98

Jeanette Prues
1525 NW 167th St.
Suite 200
Miami, FL 33189

Quote Number: 982209

Project: EWSD

Site Name: Miami, FL, Enter New Description

Requested Delivery Date: 1/5/99

The configuration parameters below support the pricing provided on the associated contract offer.

Item	Description	Customer Requirements
1	Analog	2
2	ISDN - BRI	0
3	BLC Systems	60
4	TR-303 T-1 Links	0
5	Standard T-1 (DS1)	40
6	Long Distance Trunks (DS1)	360
7	ISDN - PRI Hints	40
8	TR-303 Lines	0
9	Power for EWSD	NO
10	Spec Packages for EWSD	Yes
11	ROTL	Yes
12	MUSP	No
13	IPH	No
14	Additional OMT	No
15	Additional Printer	No
16	Synch Line Controller (BLC)	No
17	Voice Mail System (Including Wake Up Service)	No
18	Alarm Ringing	Yes
19	Y-cabling	No
20	Turn-in-cd support (Weeks)	0
21	AMA Verification (Hours)	0
22	Premium CO-ROM Reader	0
23	IOC Toll Free Expansion using AIN 0.1	No
24	Multiple Presubscription	No
25	Call Waiting Deluxe	No
26	ISDN PRI Calling Name delivery and Transfer/Model	No
27	Voice Assisted Dialing	No
28	Local Number Portability	Yes
29	Long Distance Features and Services	Yes
30	AIN 0.2 Functionalities	No
31	AIN Intelligent Peripheral Interface	No
32	National ISDN BRI 1,2,3 over GR-303	No
33	Year 2000 Readiness	Yes
34	Release 15 Fast Track Feature Package	No
35	Wireless Service Provider to Connecting LEC W	No
36	Supply Same NXX in Multiple Numbering Plan Areas	No
37	Remote Intelligent Peripheral Interface Functions	No

Program Version 3.2

Database Version 3.1



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for certificate
to provide competitive local exchange
telecommunications service by
Home Town Telephone, LLC.

DOCKET NO.: 0301 765 - TX

ISSUED: SEPTEMBER 22, 2003

FILED: FRIDAY, OCTOBER 3, 2003

PETITION FOR A FORMAL PROCEEDING AND OBJECTIONS TO APPLICATION

COMES NOW the Petitioner, KEITH KRAMER, ("KRAMER") by and through his undersigned Counsel and files his Petition seeking a formal proceeding and evidentiary hearing on the proposed Agency Order No.: PSC-03-1045-PAA-TX on the Application by Home Town Telephone, LLC. ("HOME TOWN") for certification to provide Competitive Local Exchange Telecommunication (CLEC) service, and files his Objections to the Application by HOME TOWN for Certification to Provide Competitive Local Exchange Telecommunication Service:

Name and Address of Agency and Identification Number:

1. The name and address of the agency affected by this Petition is the Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850.
2. The Docket number before the Florida Public Service Commission on the Application by HOME TOWN is 030765-TX.
3. The Order Number of the Florida Public Service Commission granting the Certificate is ID PSC-03-1045-PAA-TX issued September 22, 2003.
4. The Certificate Number granted by the Florida Public Service Commission to HOME TOWN is Certificate Number 8393.

Petitioner is not aware of any other file or identification number for this matter.

Name and Address of Petitioner and Petitioner's Representative

DOCUMENT NO.

09632-03

10-6-03

EXHIBIT "4"

Statement of Substantial Interest Affected:

5. The name, address and telephone number of the Petitioner is Keith Kramer, 18459 NW 9th Street, Pembroke Pines, FL33029, (954-252-1003)
6. The name, address and telephone number of Petitioner's Representative is Alan C. Gold, Esquire, Law Offices of Alan C. Gold, P.A., 1320 South Dixie Highway, Suite 870, Coral Gables, FL 33146 (305) 667-0475.
7. Petitioner's substantial interest will be seriously and materially affected by the agencies determination in granting a Certificate to HOME TOWN in the following manner:
 - a. Petitioner is a member/principal of IDS Telecom, LLC., ("IDS") a Florida Limited Liability company who currently holds a certificate to provide competitive Local Exchange Telecommunications Service from the Florida Public Service Commission, and which is managed by Joseph Millstone ("Millstone"), Michael Noshay ("Noshay") and Anthony Petrone ("Petrone"), who are also members/principals of IDS.
 - b. Petrone, Millstone and Noshay are also managers and members/principals of HOME TOWN
 - c. HOME TOWN is seeking the certificate in order to become a competitor of IDS and to improperly divert assets, resources and business opportunities away from IDS into HOME TOWN.
 - d. This competition by HOME TOWN through Millstone, Noshay and Petrone is in violation of the Third Amended and Restated Operating Agreement of

IDS and is in direct violation of Florida Statutes § 608.4225 (1) (a) 3, which prohibits the Managers "from competing with the limited liability company in the conduct of the limited liability company business before the dissolution of the limited liability company.

- e. The actions by these three managers (Millstone, Noshay and Petrone) also violates their duty of loyalty and fiduciary duties to IDS and its members, including Kramer, both under Florida statutory and case law. In fact, Kramer has sought leave to file an Amended Complaint against these individual managers in the Circuit of the Eleventh Judicial Circuit Court of Miami-Dade County, Florida complaining of the formation of HOME TOWN and its seeking a certificate to enable it to provide competitive local exchange telecommunication services. (A copy of the proposed Amended Counterclaim by Kramer is attached hereto and incorporated herein as Exhibit "1").
- f. Kramer's interest as a member and an equity holder in IDS will be adversely affected by HOME TOWN receiving its Certificate from the Florida Public Service Commission and competing with IDS.
- g. Petitioner, Kramer's interest as a member of the public will also be adversely affected by the granting of this Application for the following reasons:
 - i. The granting of a Certificate of Authority is not necessary nor warranted due to the fact that IDS, a company affiliated with HOME TOWN through commonality of ownership in part, and management is already authorized by the Florida Public Service Commission to

provide Competitive Local Exchange Telecommunication Services.

- ii. The managerial capacity of HOME TOWN is suspect due to the flagrant disregard of its managers for the Florida Statutes, contractual obligations and fiduciary obligations.
- iii. The financial capability of HOME TOWN is also suspect and is not clearly set forth in HOME TOWN's application, but is rather based upon projections and no concrete financial information was provided.

When and How Notice of Agency's Action was Received:

- 8. Petitioner received notice of the Florida Public Service Commission's decision granting the Application by HOME TOWN on or about September 22, 2003, when it obtained a copy of the Notice of Proposed Agency Action over the internet.
- 9. Petitioner was actually aware that the Petition was pending and that an Order was forthcoming several weeks prior to the entry of the Order.

Disputed Issues of Fact:

- 10. Petitioner does not know what facts will be disputed by HOME TOWN; however, anticipates that HOME TOWN would dispute certain facts.
- 11. It appears it will be undisputed that the managers of IDS and HOME TOWN are the same; namely, Petrone, Noshay and Millstone. According to the Application by HOME TOWN the principals of both IDS and HOME TOWN are at least, in part, the same.
- 12. Petitioner believes that Anthony Petrone, Michael Noshay and Joseph Millstone and possibly MCG Capital Corporation have an equity interest in both IDS and HOME

TOWN, and that the above will be undisputed.

13. It should be undisputed that IDS has a Certificate from the Florida Public Service Commission to provide Competitive Local Exchange Telecommunication Services.
14. Petitioner believes that HOME TOWN might attempt to dispute that it is in competition with IDS and diverting assets and opportunities from IDS; however, those facts and breaches are apparent.
15. Petitioner alleges that HOME TOWN does not have sufficient managerial capacity to provide the service, and anticipates HOME TOWN will dispute the same.
16. Petitioner alleges that HOME TOWN does not have sufficient financial ability as shown in its Application, and anticipates HOME TOWN will dispute the same.
17. Petitioner alleges that the granting of the Certificate to HOME TOWN would not be in the public interest, and anticipates that HOME TOWN will dispute the same.

Ultimate Facts Which Warrant Reversal of Agency Action:

18. A concise statement of the ultimate facts alleged including the specific facts Petitioner contends warrants reversal or modification of the Agency's proposed action was set forth immediately above in this Petition in paragraph 8 herein, which paragraph is hereby incorporated herein by reference. Specifically, Petitioner claims that the Certificate to provide Competitive Local Exchange Telecommunication Service granted to HOME TOWN directly, unfairly and unlawfully competes with Petitioner's ownership interest in IDS, that the managers of HOME TOWN have breached statutory and fiduciary obligations to IDS and Petitioner. Moreover, Petitioner contends demonstrated that HOME TOWN does not have the sufficient financial or

managerial capacities to provide the telecommunication services. Additionally, Petitioner contends that the granting of the certificate is not necessary or warranted due to the fact that an affiliated company of HOME TOWN, namely, IDS, already holds a certificate with the Florida Public Service Commission and provides competitive local exchange telecommunication services.

Statement of Specific Rules and Statute which Require Reversal:

19. The Agency's proposed action violates Florida Statutes § 364.337 in that there is no showing that HOME TOWN has sufficient technical, financial and managerial capacity to provide such service.
20. Additionally, the granting of the Certificate to HOME TOWN is detrimental to the public interest and a violation of Florida Statutes § 364.337 due to the fact that an affiliated company of HOME TOWN is already the holder of such Certificate.
21. Furthermore, the managers of HOME TOWN violated Florida Statutes § 608.4225, and their duties of loyalty as managers of IDS, and breach of fiduciary duty to IDS and its members.

Statement of Relief Sought:


22. Petitioner seeks the following relief:
 - a. This Agency grant a proceeding pursuant to Florida Statutes § 120.569 and 120.57 and hold an evidentiary hearing on HOME TOWN's Petition and Kramer's Objections,
 - b. The Order approving the Application For Certificate be rescinded,
 - c. HOME TOWN's Application For Certificate to provide Competitive

Local Exchange Telecommunication Service be denied,

- d. Petitioner be granted all relief to which he is entitled.

Respectfully submitted,

ALAN C. GOLD, P.A.
Gables One Tower
1320 South Dixie Highway
Suite 870
Coral Gables, FL 33146
(305) 667-0475 (office)
(305) 663-0799 (telefax)



BY: ALAN C. GOLD, ESQUIRE
Florida Bar Number: 304875
JAMES L. PARADO, ESQUIRE
Florida Bar Number: 0580910



KEITH KRAMER

CERTIFICATE OF MAILING

I hereby certify that the foregoing **Petition For a Formal Proceeding and Objection To Application** was mailed via U.S. Mail on October 3, 2003, to:


HOME TOWN TELEPHONE, LLC.
1525 NW 167th Street
Suite 200
Miami, FL 33186

and via Overnight Delivery on October 3, 2003 to:

**DIRECTOR, DIVISION OF THE COMMISSION CLERK AND
ADMINISTRATIVE SERVICES**
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

and was mailed via U.S. Mail on October 3, 2003 to:

**FLORIDA PUBLIC SERVICE COMMISSION
DIVISION OF COMMISSION CLERK and
ADMINISTRATIVE SERVICES**
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